



## DEPARTMENT OF AGRICULTURE

### Rural Utilities Service

#### Broadband e-Connectivity Pilot Program

**AGENCY:** Rural Utilities Service, USDA.

**ACTION:** Notice of Inquiry and Request for Comments.

**SUMMARY:** The Rural Utilities Service (RUS), an agency of the United States Department of Agriculture, invites comment on the implementation of certain provisions of its pilot broadband program (e-Connectivity Pilot) established on March 23, 2018, in the Consolidated Appropriations Act of 2018. The e-Connectivity Pilot was appropriated \$600 million in budget authority to be operated under the Rural Electrification Act of 1936 on an expedited basis. Loans and grants are limited to the costs of the construction, improvement, and acquisition of facilities and equipment for broadband service in eligible communities.

**DATES:** Comments are due on or before 5 p.m. Eastern Daylight Time on **[INSERT DATE 45 DAYS AFTER PUBLICATION IN *FEDERAL REGISTER*]**.

**ADDRESSES:** Submit comments, identified as **e-Connectivity Pilot**, by either of the following methods:

- Federal eRulemaking Portal: Go to <http://www.regulations.gov> and, in the lower "Search Regulations and Federal Actions" box, select "Rural Utilities Service" from the agency drop-down menu, then click on "Submit." In the Docket ID column, select RUS-18-TELECOM-0004 to submit or view public comments and to view supporting and related materials available electronically. Information on using Regulations.gov, including instructions for accessing

documents, submitting comments, and viewing the docket after the close of the comment period, is available through the site's "User Tips" link.

- **Postal Mail/Commercial Delivery:** Please send your comment addressed to Michele Brooks, Rural Development Innovation Center, Regulations Team Lead, U.S. Department of Agriculture, 1400 Independence Ave., S.W., Stop 1522, Room 1562, Washington, D.C. 20250. Please state that your comment refers to Docket No. RUS-18-TELECOM-0004.

**Other Information:** Additional information about Rural Development and its programs is available on the Internet at <https://www.usda.gov/topics/rural>.

#### **SUPPLEMENTARY INFORMATION:**

Section 779 of the Consolidated Appropriations Act of 2018 (Pub. L. 115-141) appropriated \$600 million for a pilot broadband program (e-Connectivity Pilot) to be operated under the Rural Electrification Act (RE Act) of 1936 (7 U.S.C. § 901 et seq.). The e-Connectivity Pilot was directed to expedite loans and grants for the costs of the construction, improvement, and acquisition of facilities and equipment for broadband service in eligible rural areas. Those areas are defined as having at least 90 percent of the households without sufficient access to broadband, defined as 10 Mbps downstream, and 1 Mbps upstream. Applications for eligible rural areas are prohibited from over-building or duplicating broadband expansion efforts made by any entity that has received a broadband loan from the Rural Utilities Service. Applications must also be evaluated by the service area assessment requirements of Section 601(d)(10) of the RE Act (7 U.S.C. 950bb(d)(10)) so that existing broadband providers may provide input on service in the proposed service area. In the absence of responses, RUS is directed to use the most current data of the National Broadband Map, or any other data regarding the availability of broadband service that may be collected or obtained through reasonable efforts.

#### **Notice of Inquiry and Request for Comment:**

RUS seeks input on several questions concerning development of the e-Connectivity Pilot.

Comments are requested from a broad range of stakeholders with an interest in rural broadband deployment. Specifically, RUS seeks comment on the following:

1) Eligible rural areas are defined as having at least 90 percent of the households without sufficient access to broadband, defined in the law as 10 Mbps downstream, and 1 Mbps upstream. At present, RUS is working to determine what types of technologies and services are defined as “sufficient access”. In particular, RUS is seeking information about the transmission capacity required for economic development, and speed and latency, especially in peak usage hours, to ensure rural premises have access to coverage similar to that offered in urban areas. Comments are specifically requested on whether affordability of service should be included in evaluating whether an area already has "sufficient access" and how to benchmark affordability of internet services. And if so, what equates to consumers’ costs being so high that they are effectively rendered inaccessible to rural households? Further, what other elements should RUS consider when defining sufficient access?

2) RUS uses a combination of a Public Notice Filing – Public Notice Response process through our online mapping tool and the most current data of the National Broadband Map, or any other data regarding the availability of broadband service that may be collected or obtained through reasonable efforts. RUS’ mapping tool will publicly post proposed service territories of applicants to allow existing service providers an opportunity to comment if 10 Mbps downstream and 1 Mbps upstream service exists for households in the proposed service area or not. Notwithstanding this data, comments are sought on how data speeds are to be used or verified, given the limited availability of publicly-available information regarding accurate broadband speeds provided to rural households. Additionally, what other sources of data availability should be used for evaluation?

3) RUS is working to ensure that projects funded by the e-Connectivity pilot provide improvements to rural prosperity. This includes projects that benefit rural industries such as agriculture,

manufacturing, e-commerce, transportation, health care, and education. Comments are specifically requested on effective methods that can measure leading indicators of potential project benefits for these sectors, using readily available public data. USDA is also aiming to improve rural economies, especially for those being served. Comments are also being sought on how to evaluate the viability of applications that include local utility partnership arrangements, including locally-owned telecommunications companies where possible.

Dated: July 17, 2018.

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